IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD

(Special Original Jurisdiction)

MONDAY, THE TWENTY SECOND DAY OF NOVEMBER
TWO THOUSAND AND FOUR

PRESENT

THE HON'BLE SRI DEVINDER GUPTA, THE CHIEF JUSTICE

and
THE HON'BLE SRI JUSTICE M.NARAYANA REDDY

WRIT PETITION NO : 23071 of 2003

Between:

1. Mr. K.Chandra Prakash S/o late Sri K. Kistaiah
Flat No.501, Nagarjuna Residency Nagarjuna Colony, Ameerpet, Hyderabad.
2. Smt. K. Aruna W/o K. Chandra Prakash
Flat No.501, Nagarjuna Residency Nagarjuna Colony, Ameerpet, Hyderabad

..... PETITIONERS

AND

1. The Union of India rep. by its Secretary
Ministry of Finance (Banking Division)
Jeevandeep Building, Sansad Marg, New Delhi.
2.The Union Bank of India rep. by its Manager
Saifabad Branch A.P., Hyderabad

.....RESPONDENTS

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the Affidavit filed herein the High Court will be pleased to issue writ or direction, more particularly one in the nature of Writ of Mandamus declaring the securitisation and reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 as unconstitutional and violative of Articles 14, 19(1)(g) and 300-A of the Constitution of India and accordingly declare the same as void and inoperative; declare the possession notice issued by the second respondent bank dated 17-01-2003 under Section 13(4) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 as illegal, arbitrary and against the principles of natural justice and accordingly set aside the same.

Counsel for the Petitioner: Mr. L.VENKATESHWAR RAO

Counsel for Respondent No.1: Mr.A.Rajasekhar Reddy

SC for Central Government

Counsel for Respondent No.2: Mr.A.Krishnam Raju

The Court made the following :

ORAL ORDER:

(per The Honourable Sri Devinder Gupta, the Chief Justice)

In view of the decision rendered by the Honourable Supreme Court in Transfer Case (Civil) No. 92-95 of 2002, dated 8th April, 2004 (MARDIA CHEMICALS LTD. Vs. UNION OF INDIA & OTHERS), challenge to the provisions of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, is not tenable and for that reason, the relief prayed for cannot be granted. Writ Petition is, therefore, dismissed. No costs.

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DEVINDER GUPTA, C.J.

22.11.2004.

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M.NARAYANA REDDY, J.

ARS

To

1. The Secretary to Union of India,
Ministry of Finance (Banking Division)
Jeevandeep Building, Sansad Marg, New Delhi.
2.The Manager, Union Bank of India,
Saifabad Branch A.P., Hyderabad.

3. Two CD copies.